



WASHOE COUNTY

Integrity Communication Service

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|-------------|------------|
| CM/ACM | <u>LE</u> |
| Finance | <u>SH</u> |
| DA | <u>DE</u> |
| Risk Mgt. | <u>N/A</u> |
| HR | <u>CH</u> |
| Comptroller | |

STAFF REPORT

BOARD MEETING DATE: June 13, 2017

DATE: May 19, 2017

TO: Board of County Commissioners

FROM: John Hulett, Sr. Environmental Engineer, Engineering & Capital Projects, Community Services Department, 722-5767, jhulett@washoecounty.us

THROUGH: Dwayne Smith, P.E., Division Director, Engineering & Capital Projects, Community Services Department, 328-2043, desmith@washoecounty.us

SUBJECT: Recommendation to authorize the Purchasing and Contracts Manager to issue purchase orders in excess of \$100,000 to Sierra Control Systems, Inc. for preventative maintenance, repair, replacement, emergency electrical service and purchase of Supervisory Control and Data Acquisition systems for the Washoe County Community Services Department utility operations through FY18-19. (All Commission Districts.)

SUMMARY

In accordance with NRS 332.115, the Washoe County Community Services Department (CSD) is requesting that the Board of County Commissioners (Board) authorize the Purchasing and Contracts Manager to issue purchase orders in excess of \$100,000 to Sierra Control Systems, Inc. for preventative maintenance, repair, replacement, emergency electrical service and purchase of Supervisory Control and Data Acquisition (SCADA) systems for the Washoe County CSD utility operations through FY18-19.

A two-year Sole Source designation was approved by the Purchasing and Contracts Manager in October 2016, authorizing purchases of SCADA systems in excess of \$50,000 through FY18-19. Purchases of required equipment will exceed \$100,000 this fiscal and require Board approval (see Attachment A).

Sierra Control Systems, Inc. is located in Carson City and is the only supplier of these types of SCADA systems in the region. Attempts to interest vendors/suppliers in supplying services in this area have been unsuccessful due to the cost of travel for initial site inspection and installation. As existing SCADA systems wear out and need replacement, the replacement components must interface and work with the existing overall SCADA system. Sierra Control Systems, Inc. is the designer and integrator of the County's SCADA system and is unique in supplying these service capabilities.

Washoe County Strategic Objective supported by this item: Safe, Secure and Healthy Communities.

AGENDA ITEM # 21

PREVIOUS ACTION

On October 17, 2016, the Purchasing and Contracts Manager approved and authorized a two-year sole source designation for Sierra Control Systems, Inc. for preventative maintenance, repair, replacement, emergency electrical service and purchase of SCADA systems for the Washoe County CSD utility operations in excess of \$50,000 for FY17-18 and FY18-19, not to exceed \$100,000 per fiscal year without Board approval.

On July 11, 2012, the Purchasing and Contracts Manager approved and authorized a two-year sole source designation for Sierra Control Systems, Inc. for preventative maintenance in the amount of \$45,050 for FY12-13, and the issuance of purchase orders in excess of \$50,000 for repair, replacement, emergency electrical service and purchase of SCADA systems for the Washoe County Department of Water Resources utility operations for FY 12-13 and FY 13-14.

On July 10, 2007, the Board authorized and approved the sole source designation of Sierra Control Systems, Inc. for preventative maintenance in the amount of \$47,765, and for repair, replacement, emergency electrical service and purchase of SCADA systems in amounts greater than \$50,000, for the Washoe County Department of Water Resources utility operations for FY 07-08.

On June 27, 2006, the Board authorized and approved the sole source designation of Sierra Control Systems, Inc. for the preventative maintenance, repair, replacement, emergency electrical services and purchase of SCADA systems the Washoe County Department of Water Resources utility operations for FY 06-07.

On June 28, 2005, the Board authorized and approved the sole source designation of Sierra Control Systems, Inc. for the preventative maintenance, repair, replacement, emergency electrical services and purchase of SCADA systems for the FY 05-06.

On October 26, 2004, the Board authorized and approved the sole source designation of Sierra Control Systems, Inc. for the preventative maintenance, repair, replacement, emergency electrical services and purchase of SCADA systems for the FY 04-05.

On April 13, 2004, the Board authorized and approved the sole source designation of Sierra Control Systems, Inc. for purchase of SCADA system hardware and upgrades.

On September 9, 2003, the Board authorized and approved the sole source designation of Sierra Control Systems, Inc. for preventative maintenance, repair, replacement, and emergency SCADA and pump services.

BACKGROUND

Sierra Control Systems, Inc. has provided the County's utility operation with its SCADA systems since 1984. They have designed the system, constructed and installed the system's components, and provided maintenance for the system. The SCADA system provides information regarding the operational status of several of Washoe County's sewer and reclaimed water facilities. SCADA equipped facilities may provide information relative to:

- Pump and booster pump operations
- Entry alarms
- Power failures
- Moisture

- Solar battery levels
- Flow rates
- System pressures
- Pump run times

FISCAL IMPACT

A fiscal impact of \$22,045 may be incurred for preventative maintenance with associated fiscal year 2017 budget authority located in cost center 664500 account 710200 in the amount of \$1,275, cost center 664900 account 710200 in the amount of \$3,840, and cost center 664900 account 710210 in the amount of \$16,930. The fiscal impact of repair work is unpredictable but has been budgeted at \$86,255 with associated fiscal year 2017 budget authority located in cost center 664500 account 710205 in the amount of \$5,000 and cost center 664900 account 710205 in the amount of \$81,255. Revenues in support of these services are provided by customer rates for reclaimed water and sewer in the various County service areas.

RECOMMENDATION

It is recommended that the Board authorize the Purchasing and Contracts Manager to issue purchase orders in excess of \$100,000 to Sierra Control Systems, Inc. for preventative maintenance, repair, replacement, emergency electrical service and purchase of Supervisory Control and Data Acquisition systems for the Washoe County Community Services Department utility operations through FY18-19.

POSSIBLE MOTION

Should the Board agree with staff' recommendation, a possible motion could be: "Move to authorize the Purchasing and Contracts Manager to issue purchase orders in excess of \$100,000 to Sierra Control Systems, Inc. for preventative maintenance, repair, replacement, emergency electrical service and purchase of Supervisory Control and Data Acquisition systems for the Washoe County Community Services Department utility operations through FY18-19."



WASHOE COUNTY
COMMUNITY SERVICES
INTEGRITY COMMUNICATION SERVICE

P.O. Box 11130
Reno, Nevada 89520-0027
Phone: (775) 328-3600
Fax: (775) 328-3699

DATE: October 12, 2016
TO: Mike Sullens, C.P.M, Purchasing and Contracts Manager
FROM: Joe P. Howard, P.E., Acting Utility Operations Manager
Community Services Department, 954-4623, jhoward@washoecounty.us
THROUGH: Dwayne Smith, P.E., Director of Engineering and Capital Projects
Community Services Department, 328-2043, desmith@washoecounty.us
SUBJECT: Approve and authorize a two-year sole source designation for Sierra Control Systems, Inc. for preventative maintenance, repair, replacement, emergency electrical service and purchase of Supervisory Control and Data Acquisition (SCADA) systems for the Washoe County Community Services Department utility operations in excess of \$50,000 for FY17-18 and FY18-19.

SUMMARY

In accordance with NRS 332.115, the Community Services Department (CSD) is requesting approval of a two-year sole source designation for Sierra Control Systems, Inc. for preventative maintenance, repair, replacement, emergency electrical service and purchase of Supervisory Control and Data Acquisition (SCADA) systems for the Washoe County Community Services Department utility operations in excess of \$50,000 per year for FY17-18 and FY18-19, not to exceed \$100,000 per fiscal year without Board of County Commissioner approval.

PREVIOUS ACTION

On July 11, 2012, the Purchasing and Contracts Manager approved and authorized a two-year sole source designation for Sierra Control Systems, Inc. for preventative maintenance in the amount of \$45,050 for FY12-13, and the issuance of purchase orders in excess of \$50,000 for repair, replacement, emergency electrical service and purchase SCADA systems for the Washoe County Department of Water Resources' utility operations for FY 12-13 and FY 13-14.

BACKGROUND

Sierra Control Systems, Inc. has provided the County's utility operation with its SCADA systems since 1984. They have designed the system, constructed and installed the system's components, and provided maintenance for the system. The SCADA system provides information regarding the operational status of Washoe County's sewer and reclaimed water facilities. All of the County's sewer pump stations and sewer treatment plants are equipped with one or more remote monitoring devices, which provide information relative to:

- Pump and booster pump operations
- Entry alarms
- Power failures

- Moisture
- Solar battery levels
- Flow rates
- System pressures
- Pump run times

Sierra Control Systems, Inc. is located in Carson City, and is the only supplier of these types of SCADA systems between Sacramento and Salt Lake City. Attempts to interest vendors/suppliers in Sacramento in supplying services in this area have been unsuccessful due to the cost of travel for initial site inspection and installation.

As existing SCADA systems wear out and need replacement, the replacement components must interface and work with the existing overall SCADA system. Sierra Control Systems, Inc. was and is the designer and integrator of CSD's SCADA system and is unique in supplying these service capabilities.

FISCAL IMPACT

A fiscal impact of \$7,000 may be incurred for preventative maintenance with associated budget authority located in account number 710200 (Service Contracts) Fund Center 664500 (Reclaimed Water Operations) in the amount of \$1,500 and Fund Center 664900 (Sewer Operations) in the amount of \$5,500. The fiscal impact of emergency work is unpredictable, but has been budgeted in account number 710205 (Repairs and Maintenance) Fund Center 664500 in the amount of \$11,500 and Fund Center 664900 in the amount of \$11,500. Revenues in support of this action are provided by customer rates for reclaimed water and sewer in the various County service areas.

RECOMMENDATION

It is recommended the Purchasing and Contracts Manager Approve and authorize a two-year sole source designation for Sierra Control Systems, Inc. for preventative maintenance, repair, replacement, emergency electrical service and purchase of Supervisory Control and Data Acquisition (SCADA) systems for the Washoe County Community Services Department utility operations in excess of \$50,000 for FY17-18 and FY18-19.

| | |
|--|--------------------------------------|
| <input checked="" type="checkbox"/> Approved | <input type="checkbox"/> Disapproved |
|  M. L. Sullens, C.P.M. Purchasing and Contracts Manager | <u>10-17-2016</u> Date |

**WASHOE COUNTY
SOLE SOURCE PURCHASE REQUEST FORM**

This form must accompany a purchase requisition when sole source approval is requested for equipment, supplies or services exceeding \$25,000.

DEPARTMENT: Community Services (CSD)

LOCATION: 8500 Alexander Lake Rd.

REQUESTOR'S NAME: Joe Howard

TELEPHONE # 775-750-3992

REQUISITION NUMBER _____

DATE October 10, 2016

RECOMMENDED SOLE SOURCE SUPPLIER: SIERRA CONTROLS LLc. (SCS)

DESCRIPTION OF GOOD OR SERVICE REQUESTED: Design, construction, maintenance, upgrades and repair of supervisory control and data acquisition network (SCADA), including all central and remote telemetry units (RTU) and software support.

I have read and understand the Policies and Procedures of the Board of County Commissioners with regard to sole source procurements. I understand that competition is the preeminent consideration in the expenditure of County funds, and I acknowledge the County's commitment to the principle of fairness to any vendor who would like to do business with the County. After observing these principles and considerations, I hereby submit that the goods, services, and/or vendor specified in the accompanying requisition fit the County's sole source criteria for the following reasons: Please provide sufficient detail to clearly identify the reason(s) for this sole source procurement request. Attach additional information if necessary.

(X) 1. The product is unique in design and/or features that are required for a specific application. List the unique features and explain why they are needed for the application the product will be used for.

Sierra Controls, LLc. (SCS) has been the sole integrator of Water Resources' (now the CSD) supervisory control and data acquisition system (SCADA) since 1984. SCS has designed, built, installed, maintained and upgraded all aspects of the SCADA system and ensure the reliability of the systems network of data gathering components, communication equipment, and control processing, along with the software programs to integrate the information in a user friendly operator interface.

(X) 2. The product being purchased must be compatible with existing equipment. Identify the existing equipment.

New facilities, upgrades, and security measures must remain compatible with the existing SCADA system network. SCS is the only local integrator with the knowledge and capability to ensure compatibility and standardization are maintained.

(X) 3. The product requested is one which the user has had specialized training for. Identify who the user of this product will be and provide a description of the previous training.

SCS is the sole provider of training specific to their products and components..

(X) 4. The product or service is available only from the manufacturer or their authorized representative. Identify the manufacturer or authorized representative, and provide telephone number and address information.

Sierra Controls, LLc.
940 Mallory Way
Carson City, NV 89701
775-883-0443

(X) 5. Consultants/Subcontractors: The individual/company is the most suitable to provide the service requested and the selection process is based on the following:

(X) There is evidence that the assistance to be provided is essential and cannot be provided by persons receiving salary support within Washoe County.

The loss of the Utility Control Specialist position during the transfer of the water utility to TMWA has eliminated any County staff to perform the work.

() A selection process was utilized to select the most qualified person.

() The consulting charges are appropriate considering the qualifications of the consultant or company based on past experience and the nature of the work to be performed.

(X) 6. Other. Please explain the specific circumstances and/or requirements that warrant the goods or services request to be procured from a sole source.

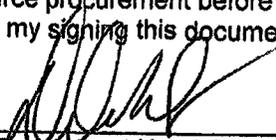
Community Services operates a vast array of facilities integral to protecting public health and safety, and the environment, including wastewater treatment plants, pump stations, storage reservoirs, and control valves. The SCADA system enables these facilities to function and communicate autonomously while transmitting and collecting data to be utilized by the utility operators and engineers. The SCADA system also ensures utility operators are alerted to problems as they arise, 24 hrs a day, such as low reservoir levels, pump fail, site entry alarm, power fail, etc. These functions and the reliability of a properly designed and maintained SCADA network are essential to the CSD mission of providing wastewater and reclaim water service to our customers, while being good stewards of the community and environment.

() 7. The following provides justification as to reasonableness of price:

I understand that I may be required to justify this sole source procurement before the appropriate authority, including the Board of County Commissioners, and that my signing this document knowing any of it to be false may subject me to administrative action.



Signature of Requestor



Department Head Approval
David Solenz, Director

Print Name

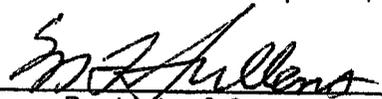
I, _____, authorized Buyer, recommend the following:

() Sole source justification is adequate and exempt from competitive bidding requirements per NRS 332.115.

() Sole source justification is adequate to justify exemption from competitive bidding requirements per NRS 332.____.

() Sole source justification is inadequate and request is returned to department for additional justification, instructions on whether to seek competitive bids for the goods or services requested, or to withdraw the request.

Buyer



Purchasing & Contracts
Manager

Date

10/17/2016

Date